

Memorandum



Date: September 23, 2004

To: Honorable Barbara Carey-Shuler, Ed.D. and Members
Board of County Commissioners

From: George M. Burgess
County Manager

A handwritten signature in dark ink, appearing to read "G. Burgess", written over the printed name of the County Manager.

Subject: Information for Second Budget Hearing – FY 2004-05 Resource Allocation Plan

INTRODUCTION

Attached are the recommended FY 2004-05 budget and millage ordinances for your consideration at the final budget hearing on September 23, 2004. These ordinances reflect the proposed millage rates approved by the Board on July 27 and September 7, 2004. As you are aware, pursuant to state law, the millage rates you approve cannot exceed the tentative rates approved at the first budget hearing.

The ordinances attached are the same as those presented at the first budget hearing. As mentioned in the memorandum presented at the first hearing, the ordinances reflect the Proposed Budget presented to you in July, with technical changes and adjustments, corrections of scrivener's errors (such as a modification to interlocal agreements with the Public Defender and the Guardianship Program as a result of the implementation of Revision 7 to Article V to cover a period of five quarters, instead of four quarters, for services rendered), revisions necessary due to Board action taken subsequent to the release of the Proposed Budget (such as the adjusted budget for the Performing Arts Center Construction Project), and current estimates of grants and other revenue adjustments based on revised projections (such as Human Services, Homeless Trust, Solid Waste Management, Office of Community and Economic Development, Fire and Rescue, and the Community Action Agency). Pursuant to Commissioner Martinez's request, these adjustments are described in detail on the following pages.

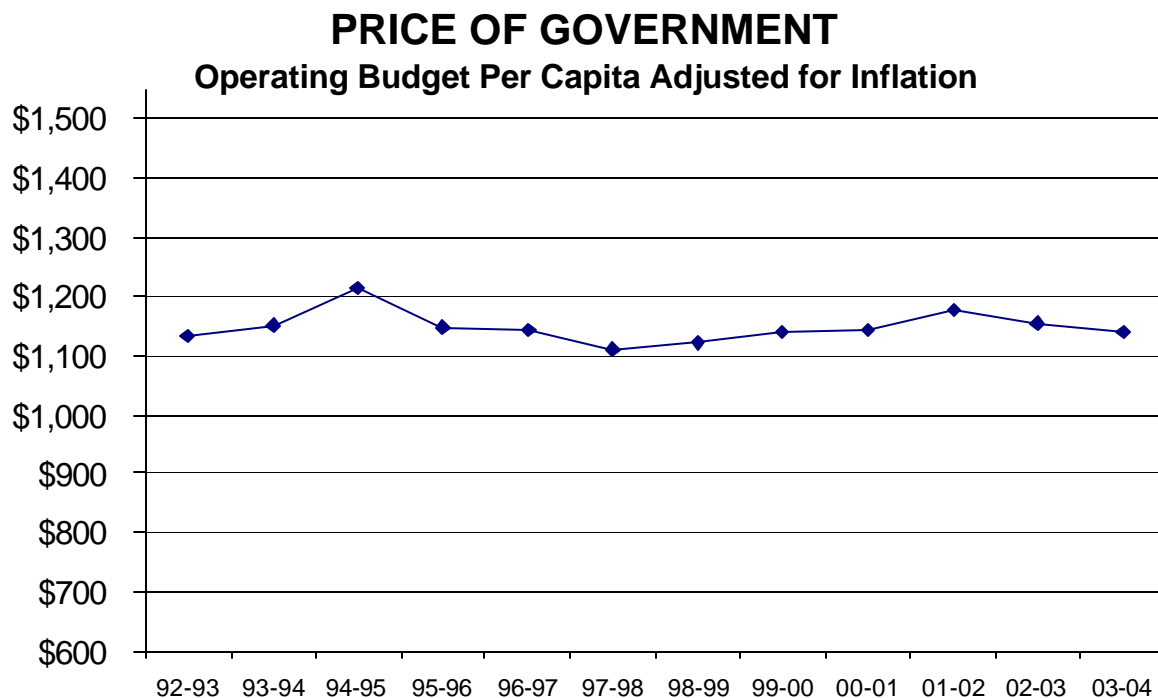
Because the Board did not take action to accept the recommendations presented at the first hearing, those recommendations are repeated in this document. The recommendations have been modified in some cases in light of your questions expressed at the first budget hearing and the priorities and concerns we discussed in individual meetings held after that hearing, to address issues raised by the Mayor's September 16, 2004 budget report, or to include, where necessary, recommendations on funding sources.

BUDGET OVERVIEW

Over the past several months, I have been communicating with the Board about our new budgeting process, "Resourcing for Results." Based on the priorities I outlined to the Board in January, the priorities outlined by the Mayor in his March Budget Message, and feedback received from you throughout the process, this budget has been developed emphasizing those programs and services most important to your constituents, with clear expectations of the results and outcomes to be achieved. This process reflects the philosophical framework we have adopted to manage our organization:

- Align services to focus on long-range strategic goals;
- Realign our organizational structure and business processes to reduce unnecessary administration and bureaucracy while maintaining necessary checks and balances;
- Use technology in a sound business manner to provide customer service at lower cost;
- Maintain financial stability, matching the cost of services to available resources, reducing reliance on non-recurring revenue; and
- Results-oriented government; achieving objectives in the most efficient and effective ways.

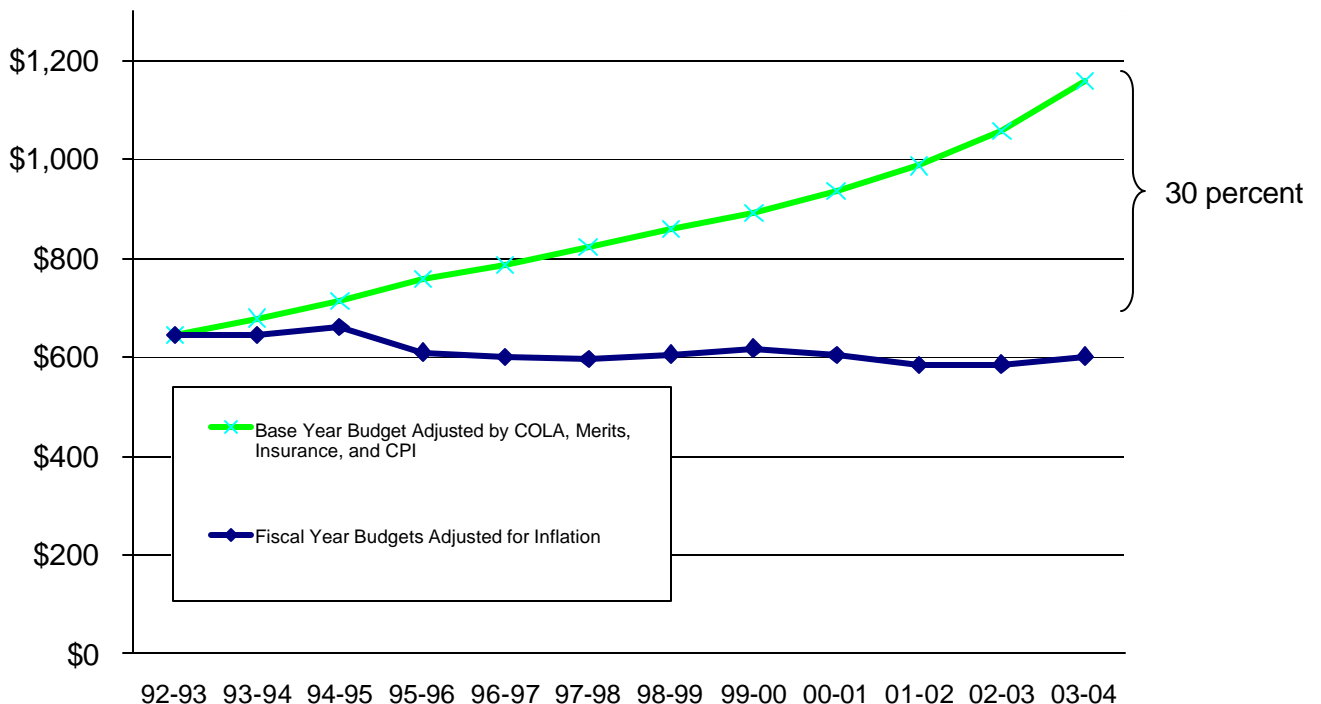
Chart 1



As I presented to you in my Budget Message, the per capita cost of Miami-Dade County government, adjusted for inflation, has been relatively constant since FY 1992-93 (see Chart 1). The per capita general fund budget is 30 percent less than in FY 1992-93, when adjusted for inflation and increased personnel costs (see Chart 2). On an actual basis, though, the annual increases in personnel costs have grown faster than revenues, which has created a structural imbalance between revenues and costs annually. Most organizations have the same experience and thus, must “balance the budget” to address the gap. In order to limit the structural imbalance in future years, this process of balancing the budget must limit the use of non-recurring revenues and one-time expenditure reductions. Taking into account the shift of certain costs from other governments, the increases due to improved and expanded processes, and reductions in grant funding, we are simply doing a lot more with a lot less.

Price of Government General Fund Budget Per Capita

Chart 2



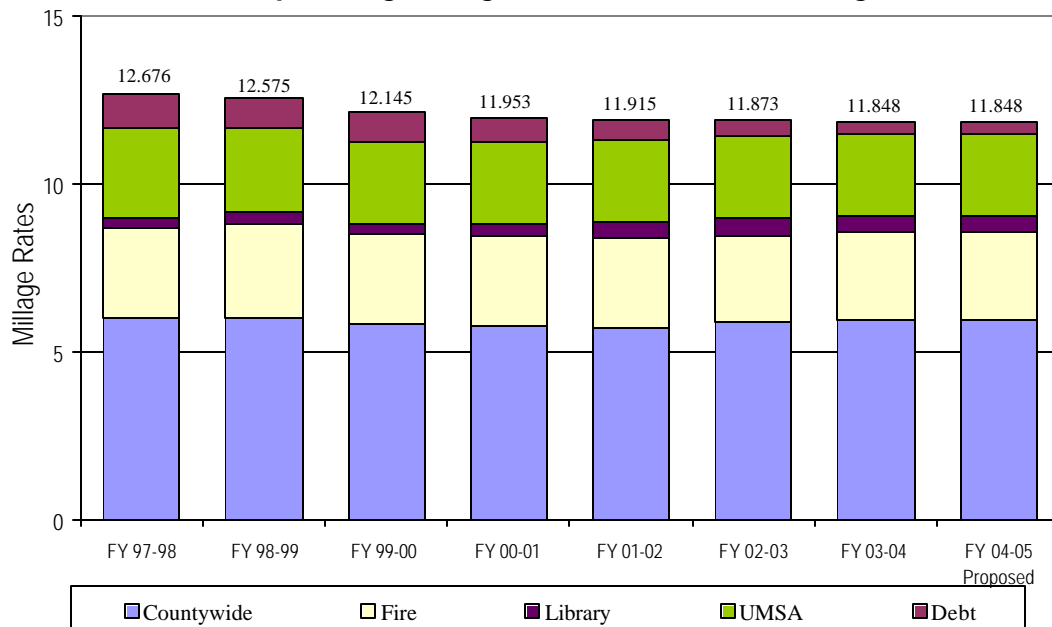
In past years, we have taken certain actions to maintain service levels, including capitalizing eligible on-going maintenance programs, deferring preventative and other maintenance, increasing selected fees and charges, and using limited-term revenues, such as trust fund balances and carried-over funds to support operations. Many other jurisdictions have been taking similar actions for some time. Cities with budget and tax policies that lead to spending down reserves, delaying incremental tax increases, relying on limited-term revenues, and putting off needed maintenance projects are now being forced to increase tax rates by double-digit percentages. We have benefited from unprecedented tax roll growth, which has allowed us to reduce millage rates. Even if large increases in tax rates are not necessary right now, many expect reduced tax roll growth and anticipate the approval of a doubling of the homestead exemption over the next several years, which will significantly erode our tax base and therefore, make tax rate increases imperative to maintain services. We must use our resources and budget decision-making process to address the short-term and long-term needs of your constituents and to reflect sound fiscal policy.

In developing the Proposed Budget, I:

- reduced our reliance on non-recurring revenue, reducing excessive internal service charges to departments,
- strengthened our reserves, and
- took a more conservative approach in estimating revenues. Reliance on limited-term revenues has been reduced by 40 percent, internal charges as a percentage of total departmental budgets have been reduced by more than 11 percent, and the emergency contingency reserve has been continued and is expected to increase from \$12 million at the end of FY 2003-04 to \$24 million by the end of FY 2004-05.

For the first time in several years, across-the-board reductions have been eliminated; by employing a new process of focusing on services that are a priority to our community, I have been able to make these adjustments and present a balanced budget without increasing the total millage rate.

Countywide, Fire Rescue District, Library, and UMSA Operating Millages and Voted Debt Millages



Over the past seven years, the Efficiency and Competition Commission (ECC), created by Mayor Penelas and chaired by Commissioner Morales, has supported staff in identifying over \$100 million in efficiency savings for this County. I have worked very closely with the ECC in different capacities over the last eight years to develop efficiency studies, gainsharing opportunities, and other methods to either increase revenues or reduce expenditures. Much of the savings is recurring and has assisted in our efforts to balance the budget each year. This budget includes \$28.4 million in efficiencies over the current and next fiscal year. The number of positions countywide is reduced by approximately 600. These efficiencies were detailed in the attachment to my Budget Message and include realigning business processes to take advantage of new technologies, renegotiation of contracts to the benefit of the County, and consolidation of certain functions, which when combined with cross-training of staff, has allowed for reduced expenditures.

The household rates charged to homeowners solid waste collection services are not increased for FY 2004-05, while service is improved (two bulky waste pickups of 25 cubic yards will now be offered instead of one bulky waste pickup of 50 cubic yards). Water and sewer retail rates also remain unchanged.

As I have reported to you, this budget was developed based on a philosophy of directing resources in the areas that have been identified by your constituents as most important. More and more, your constituents indicate that the "little things" that make life in Miami-Dade County better are what is critical to their satisfaction with government. We have addressed these

desires by including additional funding in the Proposed Budget for the Public Works Department, Park and Recreation Department, and for cultural programming. Improving the response time for pothole complaints, providing more litter pick-up cycles, expediting street sign replacement, increasing park maintenance and parks furnishings, and allocating additional funding for cultural programs in our community will address many of the issues that matter most to a large number of our citizens.

In addition to providing funding for some of the external functions that make our community a better place to live, I also recommended additional funding to our internal processes. Many people speak of the “bureaucracy” in pejorative terms and equate the concept with inefficiency, laziness, and waste. Bureaucracy is crucial for any organization to effectively accomplish its goals. It is when the rules and processes that the bureaucracy follows get in the way of meeting the goals of the organization (in our organization, providing services to our customers) that the bureaucracy fails. You, our elected officials, have helped us to identify those areas that require attention. We are working closely with the Procurement Subcommittee, chaired by Commissioner Sosa, to develop processes that will ensure that external service providers have the materials needed. Commissioner Seijas, in her role as Chair of the Governmental Operations and Environment Committee, has pushed for the analysis of several activities under the purview of the General Services Administration, which lead to savings built into the Proposed Budget. I have recommended additional resources to the Employee Relations Department to ensure that employees, our most important resource, are hired quickly, trained effectively, and compensated appropriately. By working closely with my office and Office of Strategic Business Management (OSBM), the funding will be used to analyze and improve the current recruitment process and compensation plan, implement technology to make these processes more efficient, and properly staff the department to ensure the best possible employees are available to our service departments to meet their goals. As we continue to improve our internal rules and processes, we can be proud of the bureaucracy that supports our organization in its successes.

The Proposed Budget also contains recommendations aimed at reducing, or streamlining, the “bureaucracy,” including:

- the implementation of supportive technology in the Office of Emergency Management and Miami-Dade Fire Rescue Department (MDFR);
- transfer of additional fleet maintenance to MDFR from General Services Administration;
- merging the Public Affairs and Community Affairs bureaus in MDFR;
- improving internal inventory management for the Medical Examiner;
- consolidating various responsibilities in contract management, finance, information technology and operating divisions in the Park and Recreation Department;
- implementing an interactive voice response system in the Building Department to direct customers to the proper area and eliminating staff at the South Dade Government Center in favor of providing drop off points for plans at several facilities around the County;
- renegotiation of the Public Works data circuit contract;
- transferring the Advocates for Victims Program to the Child Development Services Bureau and Family and Victim Services to the Office of Rehabilitative Services, in the Department of Human Services allowing for the elimination of the Family Preservation/Family Support Services Division Director Office (2 positions);
- automating the Miami-Dade Housing Agency (MDHA) waiting list;

- consolidating the competitive acquisition unit and the bid processing unit in the Department of Procurement Management to eliminate a Division Director;
- consolidating customer service functions and reducing overhead expenses and software licensing fees in the Enterprise Technology Services Department.

A number of recommendations that follow in this report are aimed at further reducing the level of bureaucracy required to support certain functions, including the adjustments to the administration of the Summer Youth program and Child Development Services in the Department of Human Services and the grants from the Commission District Discretionary Reserve and Office budgets, and a reduction of positions in the Water and Sewer Department (more details follow in this report).

Over the past two years, I have recommended a number of organizational changes through the budget process. As you recall, I was hired only three weeks prior to the release of the FY 2003-04 Proposed Budget. Because of the limited amount of time, the information submitted to you at the September budget hearings contained many adjustments from that which was originally proposed. Many of these recommended reorganizations were accepted by the Board, including the consolidation of the previous Miami-Dade Transit and Office of Public Transportation Management (saving 216 positions and \$6 million) and the merger of the former E-Gov and Information Technology Department into the Enterprise Technology Services Department, along with other less comprehensive adjustments, such as the relocation of the Employee Recognition Program to the Communications Department, the transfer of the Ocean Rescue lifeguard function to the Fire Rescue Department, and the creation of an independent Office of ADA Coordination. The recommendation to consolidate the economic development functions of the County was partially realized.

This year, I have been closely involved in the budget process from the beginning and the recommendations submitted to you now have not been substantively changed from what was included in the FY 2004-05 Proposed Budget. At the second budget hearing last year, further study of the merger of public safety departments, the animal services function, and the consolidation of juvenile diversion programs was recommended. The results of those analyses were included in the FY 2004-05 Proposed Budget. As detailed in the package presented for the first budget hearing, and below, I recommend the consolidation of the juvenile diversion programs of the Juvenile Assessment Center and the intake and assessment programs in the Department of Human Services, to create the Department of Juvenile Services (saving \$385,000). After study of the benefits of the merger of the Police Department and Corrections and Rehabilitation, I am recommending those departments remain independent. I also recommended the separation of Animal Services from MDPD to an independent function. The following details these and other recommendations for your approval.

In my budget message, I reiterated the importance of effective community outreach and awareness and timely and responsive services. The Proposed Budget included an additional \$300,000 for code enforcement activities and I tasked my staff with reviewing the customer service and code enforcement functions for improvements. In the first change memo, I recommended the division of these functions. At this time, I believe that further analysis of any potential reorganization is needed. I recommend additional funding be dedicated to community outreach. Specific recommendations follow in this report.

RECOMMENDATIONS

1. General Fund Budget Adjustments

We have reviewed our revenue projections through the August financial reports, and only have two recommended revenue changes to the Countywide and Unincorporated Municipal Service Area (UMSA) general fund budgets related to administrative reimbursements from Aviation and the Fire Rescue District. Due to changes in Aviation's proposed FY 2004-05 operating budget, and in accordance with the proposed methodology before the Federal Aviation Administration of calculating the administrative reimbursement, it is recommended that the Aviation administrative reimbursement be reduced by \$226,000 (\$154,000 countywide general fund and \$72,000 UMSA general fund). Also, it is recommended that the Fire Rescue District's administrative reimbursement associated with 911 call intake be eliminated thereby reducing the countywide general fund portion of their administrative reimbursement by \$388,000. More information on that recommendation is included in the Fire-Rescue section. These two adjustments reduce the countywide general fund and UMSA general fund by \$2.975 million and \$612,000, respectively.

There are also several recommendations that adjust Countywide and UMSA general fund expenditures. Subsequent to the first budget hearing we received a revised estimate from the Florida Department of Juvenile Justice (DJJ) for the juvenile pretrial detention costs shifted to counties as part of the State budget. The estimate for Miami-Dade County was reduced to \$9.743 million from the previous estimate of \$11.701 million that was included in the Proposed Budget. It is recommended that we reduce the budgeted amount to this latest estimate from DJJ, thereby reducing the countywide general fund budget by \$1.958 million. The FY 2004-05 Proposed Budget included \$1.3 million towards the County's match for a healthcare program for the working uninsured. I concur with the Mayor's recommendation that this available funding be moved into the Countywide Contingency Reserve specifically earmarked for health-related expenditures. It is also recommended that the Countywide and UMSA general fund allocations to the Capital Outlay Reserve be reduced by \$2.921 million and \$736,000, respectively. This reduction can be accomplished by reducing the reserve for early payment of principal in the Capital Outlay Reserve. Subsequent to the release of the Proposed Budget, the payment to the tax increment districts was recalculated allowing for a decrease of \$90,000 from the original estimate. Due to the recommended reduction in the countywide general fund revenues, the formula payment to the Public Health Trust is reduced by \$64,000. More information on the Public Health Trust and its budget is included in the Public Health Trust section of this memorandum. The above adjustments and other adjustments, detailed in the rest of this memorandum, are summarized by the following chart:

General Fund Recommendation			
(Dollars in Thousands)			
	<u>CW</u>	<u>UMSA</u>	<u>Total</u>
<u>Revenue Adjustments</u>			
Fire-Rescue Administrative Reimbursement	(\$388)	\$0	(\$388)
Aviation Administrative Reimbursement	(154)	(72)	(226)
Total Revenue Adjustments	(\$542)	(\$72)	(\$614)
<u>Expenditure Adjustments</u>			
CBO Reserve	(\$3,000)	\$0	(\$3,000)
Discretionary CBO Allocations	4,019	0	4,019
Communications	311	146	457
Community Image Liaison	100	0	100
Contingency Reserve	1,300	0	1,300
Healthcare Insurance for the Working Uninsured	(1,300)	0	(1,300)
Capital Outlay Reserve (COR)	(2,975)	(612)	(3,587)
Community Action Agency - Shuttering Program	117	0	117
COR - Caleb Center Renovations	340	160	500
COR - Equipment	100	0	100
COR - Traffic Calming Devices	0	105	105
Corrections and Rehabilitation - Relief Squad	250	0	250
Cultural Affairs	250	0	250
County Manager	(264)	(124)	(388)
DJJ Pretrial Detention Cost Reduction	(1,958)	0	(1,958)
Elections	600	0	600
Emergency Management - Rent	386	0	386
General Services Administration	(109)	(51)	(160)
Human Services - Jack Orr Ranch Savings	(65)	0	(65)
International Trade Consortium	271	0	271
MDPD - Enhanced Enforcement Initiatives	0	300	300
MDPD - Speed Trailers	36	0	36
MDPD - Victims Services	200	0	200
Office of Community Relations	145	0	145
Park and Recreation - Advertising	160	0	160
Park and Recreation - Janitorial Maintenance	100	0	100
Park and Recreation - Mosquito Magnets	8	4	12
Property Appraiser	90	0	90
Public Health Trust (formula payment)	(64)	0	(64)
Shelter Supplies Reserve	100	0	100
Superbowl 2007	100	0	100
Team Metro - Community Outreach	300	0	300
Tax Increment Districts	(90)	0	(90)
Total Expenditure Adjustments	(\$542)	(\$72)	(\$614)

2. Library System

There are no recommended adjustments to the Library System budget.

3. Fire Rescue District

Subsequent to the release of the Proposed Budget, concerns regarding the budget for the Fire and Rescue Department were raised. Staff from my office, the OSBM, the Fire Rescue Department, and representatives of labor have worked closely to confirm that planned service expansion is possible within the resources allocated. As planned, nine new units will be opened during FY 2003-04 and FY 2004-05. As discussed with the Board previously, it may be necessary to increase the Fire Rescue District millage rate or identify another non-ad valorem source of revenue in the future in order to support existing service and continued service expansion.

To assist in expansion efforts in FY 2004-05, it is recommended that an additional \$386,000 be added to the Fire Rescue District budget. The additional revenue is recommended to come from the payment of rent by the general fund on behalf of the Office of Emergency Management (OEM) for space occupied at the Fire Headquarters building. At the time the Fire Headquarters building was to be purchased, there remained a \$5 million bridge loan made by the County to Pan Am, the property owner. In settlement of this loan, a \$5 million credit from the countywide general fund was applied toward the purchase price of \$16.2 million. A payable was booked in the Fire Rescue District Fund, and a receivable was booked in the countywide general fund to recognize this transaction. Renovations to the space occupied by OEM and the Emergency Operations Center were funded by the Fire Rescue District (\$3.6 million), and since the building became operational, the value of market rent for that space has been reducing the value of the receivable. At the conclusion of FY 2003-04, this receivable will have been satisfied, the payable and receivable will be reversed, and the countywide general fund will begin paying rent for the space through the OEM budget (\$386,000). In addition, it is recommended that the payment by the Fire Rescue District to the general fund for administrative overhead be reduced by \$388,000, which is the portion associated with 911 call intake, to be replaced with funding by 911 fees, as well as elimination of the payment of \$126,000 to General Services Administration, for rent of space at Shop 2. The \$900,000 will be placed in reserve pending a revised plan to be developed by the Fire Chief for implementation of enhanced services in FY 2004-05.

Miami-Dade County Fire Rescue Station 15 on Key Biscayne provides fire-rescue service to the Crandon Park area and along portions of the Rickenbacker Causeway. The City of Miami also has some fire-rescue responsibility along the west end of the Causeway. Currently, the County rescue unit at Station 15 is not a full-time operation. The Village of Key Biscayne provides back-up fire rescue service when the County unit is unavailable. The Village has requested the County provide a full service unit or pay the Village for back up. County staff has met with representatives of the Village several times to develop a recommendation regarding the request. In his budget response of July 27, 2004, the Mayor requested that we resolve the issue. We are exploring options to fund Station 15 as a full service unit through causeway revenues and intergovernmental funding. It is our intention to develop a mutually satisfactory solution and report back to you.

Commissioner Heyman has brought to my attention possible inequities in the salaries for the Ocean Rescue Lifeguards as compared to other jurisdictions. The Employee Relations Department is reviewing this salary information and will provide me with a recommendation this Fall.

4. County Manager's Office

Following the comments made by Commissioners at the first budget hearing, my staff and I have further reviewed the Proposed Budget in an effort to find additional efficiencies and other savings. Because the retirement of a member of my staff that was anticipated to occur in FY 2004-05 is actually effective September 30, 2004, the budget of the Office of the County Manager is recommended to be reduced by \$388,000. After this adjustment, the budget for the County Manager's Office increases by 9.4 percent over FY 2003-04 due to the transfer of funding for the Surface Transportation Manager and his staff. For FY 2003-04, these positions were supported by People's Transportation Plan funding. I believe it is more proper for these positions to be funded by the general fund. Absent this adjustment, the budget for my office represents a 0.5 percent reduction from the current year.

5. Economic Analysis

In my budget message, the creation of a County economic analysis unit was discussed. This concept was an outgrowth of the Comprehensive Development Master Plan Economic Element. The Socio-Economic Development Council (SEDC) was a key proponent of the Element and that council has advocated for an office dedicated to oversee the coordination and implementation of Socio-Economic Development efforts and of the Economic Element. I recommend creating a Socio-Economic Policy Coordinator (SEPC) to enhance and ensure the coordination of functions, activities, and programs that impact social and economic planning and development. This position will be created by reclassifying an existing funded vacancy in the OSBM. This position will report to my office, be provided with administrative support from OSBM, and draw professional support from other departments and agencies such as Community and Economic Development, Task Force on Urban Economic Revitalization, Human Services, Community Action Agency, and Planning and Zoning. The SEPC will provide assessments and recommendations relative to socio-economic impact/outcome of current and potential projects, programs, policies, and activities, including suggestions for modifications to enhance the effectiveness of the County's resource allocation process.

Placement of the position within OSBM will allow for a close working relationship regarding implementation of the County's Strategic Plan as it relates to socio-economic goals and in developing pertinent performance measures. Working with the Assistant County Manager responsible for economic development initiatives, the SEPC will be well-positioned to establish a Socio-Economic Development Policy Task Force that can draw on key department directors whose departmental business plans have socio-economic priority outcomes. The SEPC will be hired during FY 2004-05, into a budgeted and currently vacant position in OSBM. Under this approach, there is no budgetary change required to provide this additional level of expertise.

6. Office of Citizen's Independent Transportation Trust

In FY 2003-04, the Office of the Citizen's Independent Transportation Trust (OCITT) was created to provide all necessary resources and staff support to the Citizen's Independent Transportation Trust (CITT). The role of the OCITT is to staff the CITT and its subcommittees,

review municipal transportation plans, conduct public outreach programs and workshops, and review the allocation and transfer of the Charter County Transit System Surtax revenues to municipalities.

Subsequent to the release of the Proposed Budget, I hired a permanent director of the OCITT, Nan Markowitz. Although she has only been in this position for three weeks, the new director has identified preliminary reductions to the OCITT budget. At this time, I recommend reducing the budget by three positions (\$176,000). As this budget is further analyzed, additional adjustments may be made.

7. Water and Sewer

The Water and Sewer Department (WASD) is requesting that the Proposed Budget be amended, changing the Revenue Fund budget to \$491.695 million from \$499.897 million. Included in the adjustments are a reduction in the transfer from the Rate Stabilization Fund to \$18.570 million from \$26.022 million, and a reduction in the transfer to the Renewal and Replacement Fund to \$30.376 million from \$47.852 million. Those changes are concomitant with various expenditure adjustments, including an increase in the department's operating budget to \$262.089 million from \$254.569 million and an increase in the cash requirement for bonds to \$43.682 million from \$42.852 million.

The Proposed Budget included the addition of 262 positions (\$8.7 million of Operating and Maintenance (O&M) funds) for the WASD. After further analysis of the implementation schedule for the department's capital plan, WASD was able to reduce this request by 81 positions, saving \$2.8 million in O&M expenditures. The remaining 181 positions are phased-in and are necessary primarily to begin implementation of the Water and Sewer Five-Year Capital Improvement Master Plan, approved by the Board of County Commissioners in July 2003, and structured for compliance with the Federal Safe Drinking Water Act, Federal Clean Water Act, Federal Consent Decree, State Consent Orders and Settlement Agreements. New positions will provide construction management, design, engineering, and planning services for implementation of construction projects, as well as legal and administrative services to insure internal controls, and compliance with purchasing rules, generally accepted accounting principles, and the Master Bond Ordinance, and for quality assurance.

8. Procurement Management

In the FY 2004-05 Proposed Budget, the continuation of the User Access Program (UAP) is recommended to support the operations of the Department of Procurement Management (DPM). The UAP is the two percent deduction on purchases by County departments and other governmental, quasi-governmental and non-profit entities utilizing DPM established contracts. The Program allows for a two percent deduction on all vendor invoices for new contracts and negotiated modifications of existing contracts, including renewals. Included in the UAP are one-time, term, blanket and pool contracts issued by DPM, and the contracts of other jurisdictions accessed by DPM for the County.

In the development of the FY 2003-04 budget, UAP projections of \$1.675 million excluded small purchase orders issued by County departments, employee benefits contracts, some revenue generating contracts, and contracts with Board established rates, such as towing. However, UAP projections did include County-funded portions of acquisitions with some federal funds.

During the course of the year, it was determined that the UAP could not be applied to any Aviation Department procurements, regardless of the funding source, due to Federal Aviation Administration regulations. Also, the Federal Transit Administration advised that the UAP language cannot be included in any County contract where federal transit funds are used. Therefore, if even one federal dollar is used on a multi-million dollar transit contract, the County is prohibited from collecting the UAP fee on the non-federal amount. Furthermore, the UAP cannot apply to purchases made with Law Enforcement Trust Fund proceeds. In addition, I recommended the exclusion of all revenue generating contracts from the Program.

As a result of the restrictions mentioned above, revenues for FY 2003-04 were adjusted in the mid-year amendment from \$1.675 million to \$838,000. An analysis, which excludes the above referenced restrictions on federal funds and revenue generating contracts, indicates that the department will generate \$2.4 million in UAP revenues in FY 2004-05.

9. Living Wage Coordination

At the last budget hearing, Commissioner Seijas requested that I review the Needs Assessment Report prepared for the Living Wage Commission (LWC). The report identifies a number of recommendations to improve the County's tracking of contracts with living wage measures, as well as the proper compliance of those contracts. Over the past few years, the Department of Procurement Management (DPM) has provided a part-time administrative position to support the LWC. The Department of Business Development (DBD) has also provided staff for implementation of the LWC programs.

I recommend consolidating the support functions in one department to reduce staffing demands. Although DPM is currently providing part-time staff support, the department does not provide compliance monitoring. In an effort to coordinate all support to the LWC, it is important to locate this function in one department that has an impact on the entire process. The Deputy Director will provide staff support to the LWC and coordinate all living wage administrative functions across the entire County, assuming all support functions now performed at both DBD and DPM to address the concerns referenced in the report.

Despite our accomplishments as noted by the report, we need to take further steps to properly fulfill the objective of the living wage ordinance. The recommendations of the needs assessment report indicate that we need more compliance efforts at DBD to monitor and enforce the living wage ordinance, enhance coordination among all County departments, and increase outreach and awareness training. Living wage compliance workloads have increased steadily since the Board approved the living wage ordinance. Further review and implementation of this program and the new small business program may indicate the need for additional staffing. We are in the process of procuring a consulting contract to review staffing and business processes within DBD and will incorporate the review of the living wage function as part of the analysis. The study will assist in identifying proper staffing levels and processes to address the changes recommended in the needs assessment report.

10. Shelter Supplies Reserve

Overall, I am very pleased with the actions taken during the activation of the Emergency Operations Center (EOC). The evacuations that were necessitated by Hurricane Frances tested our emergency plans. As with any event like this, we are able to learn from our experiences. This event highlighted some weaknesses in our shelter management operation. I have been in contact with the Red Cross, our partner in this effort, to develop improved processes. I will be meeting with the Superintendent of Schools, the Red Cross, the Greater Miami Convention and Visitors Bureau, the Fire Chief, the Health Department, and others, in the next two weeks to further refine and improve our shelter management plans.

The Red Cross is the lead agency for providing shelter to evacuees, and for shelter operations. They do, however, need and welcome County assistance in providing additional volunteers. Staff has worked out both a short-term solution (in light of Hurricane Ivan), and a longer-term solution using County employees. Disaster Assistance Employees (DAEs) will be designated from those employees deemed non-essential to their operating departments during times of emergencies. Therefore, DAEs are available to otherwise assist the County in emergency roles. My office, in coordination with the Office of Emergency Management, the Enterprise Technology Services Department, the Office of Community Relations, and the staff at the Answer Center, has developed an employee database to identify DAEs. This tool will be used to assign staff to the shelters and to other pre- and post- event efforts as needed.

Additionally, I have ordered 8,000 blankets and 1,000 roll-up mattresses (\$46,000) which will be stored at the Police and Fire warehouses and used, as needed, for the elderly and other evacuees. At the suggestion of Commissioner Seijas, I will be establishing a shelter supplies reserve of \$100,000. This represents twice the amount needed to replace our current stock of blankets and mattresses. Should this reserve be depleted in any future year, I recommend it be replenished from our Emergency Contingency Reserve.

11. Animal Services Department

The OSBM conducted a review of the Animal Services Unit. Attachment A is the report that addresses the organizational placement, funding, service priorities, facilities, community relations, and partnerships. Attachment R includes the revised Tables of Organization for Miami-Dade Police Department (MDPD) and the Animal Services Department. Upon careful consideration of all the options, I have decided to create a separate Animal Services Department. The Animal Services Department will have three primary responsibilities: animal care and shelter operations; outreach, education and marketing; and code enforcement and licensing. I have begun the recruitment of a qualified animal services administrator. I am looking for an individual with experience and a proven track record in animal care and sheltering to lead this department.

I would like to thank the staff of the MDPD for managing the Animal Services Unit and taking on this responsibility over the last few years. MDPD will continue to operate the Animal Services Unit until the new director is hired, which is scheduled to occur by the end of the calendar year. After the Unit is separated from MDPD, the sworn officers currently assigned to the Animal Services Unit will be assigned to other police duties within MDPD. Costs associated with the creation of a separate department will be offset by savings generated from the transition from

sworn to civilian personnel. Further adjustments may be necessary at the time of the mid-year budget amendment.

Both the OSBM study and the Humane Society of the United States study, which we anticipate receiving this month, will provide short-term and long-term goals for the new director and department. The new director will be tasked with developing partnerships with community members and private organizations to bring the operations of Animal Services to a new level.

12. Team Metro

As mentioned above, I am recommending an additional \$300,000 to further improve our resident outreach and awareness function. Organizational issues related to Team Metro will be further analyzed and any recommendations in the future will be brought to the appropriate Commission Committee for consideration. Our community outreach and awareness function will change with the advent of the Answer Center. During implementation, the Answer Center will report directly to my office.

13. Community Action Agency

The County initiated the Project Impact Residential Shuttering Program in January 2002 with an allocation of \$1 million and a FEMA grant in the amount of \$317,000. From January 2002 through September 2003, this funding resulted in the installation of hurricane shutters on 844 homes with a head of household over 65 years of age and an income under \$20,000. In order to maximize grant funds and to continue to provide hurricane protection to low-income residents, it is recommended that \$117,000 be set aside in the grant match reserve in FY 2004-05 for this program. The program will result in the leveraging of \$900,000 from FEMA, which will fund the installation of hurricane shutters on 750 homes through June 2006, with a total match contribution from the County of \$300,000.

14. Planning and Zoning

A review of the zoning application fee and other land use functions fees that was planned for this summer is being postponed. The Department of Planning and Zoning (DP&Z) will address a possible change in the zoning application charges to defray the costs associated with the legal support of zoning functions and other land use functions with the industry later in FY 2004-05.

Funding for three charrettes is included in the Proposed Budget. I recommend one be for the unincorporated area in northwest Miami-Dade County which has yet to have a charrette. The locations of the other charrettes to be conducted in FY 2004-05 by the DP&Z have not yet been determined. Requests for charrettes have been made by Commissioners and community councils. The Department is preparing a resolution for Board of County Commissioners (BCC) consideration recommending that the BCC determine the priority for focus areas so that charrette locations are selected accordingly.

15. Community Image Liaison

As in previous fiscal years, I recommend that we continue funding the management and inspection of the Community Image Advisory Board (CIAB) landscaping projects. Commissioner Moss has provided leadership to maximize the impact of this initiative. Staff from Public Works will continue to water, provide granular fertilization, replace dead or missing

plants, and re-mulch portions of U.S. 1 and the 27th Avenue corridor from NW 215th Street south to U.S. 1. In addition, Solid Waste Management will maintain current litter pick-up services at those locations. Funding in FY 2004-05 is recommended to remain at the current year level of \$500,000 from the Capital Outlay Reserve.

While these corridors are among our most traveled, I believe we can do more. Beautification is not and should not be about a limited number of major roadways; instead it needs to be an effort to improve the image across the County, regardless of whether the area of needed improvement is under the jurisdiction of the State, the County, or a municipality. In order to further these goals, the CIAB recently added a significant number of local arterial roadways across the County to be part of the initial network of corridors to receive enhanced services in coordination with other jurisdictions.

In an effort to further enhance beautification efforts such as landscaping and litter pick-up cycles across the County, I recommend creating a Community Image Liaison (\$100,000) as part of my Executive Policy Support function. This position will provide staff support to the CIAB and work with the various State, County, and municipal agencies to encourage and coordinate efforts to improve beautification along transportation corridors, gateways, and bridges, on public rights-of way, and public facility surroundings. The Community Image Liaison will also administer the adopt-a-road program, which will be transferred from the Public Works Department to this liaison to encourage more private sector participation in the enhancement and maintenance of major public roadways. The function assigned to the inspector position recommended in the first change memorandum can be absorbed by current staff at the Public Works Department.

16. Department of Human Services

The Department of Human Services (DHS) has a net increase of 99 positions, largely due to the 66 additional positions for the Child Development Services (CDS) Bureau and the conversion of 45 temporary positions and the addition of one position for the Helen Sawyer Program. The additional positions, in CDS will handle the absorption of the school readiness program in the northern section of the county serving an additional 12,000 children (6,700 families), for a total of 30,000 children (17,000 families) countywide.

Summer Youth Employment Program

As discussed in the first change memo, I am recommending that the Summer Youth Employment Program, currently administered by the Alliance for Human Services, be monitored and administered by the DHS for FY 2004-05 to more efficiently utilize funds and allow more youths to be served.

It is recommended that the DHS budget be adjusted to reflect \$1 million currently in the non-departmental general fund budget for the Summer Youth Employment Program. Rather than use any of this funding for administration, due to the reduced workload anticipated as a result of reforms to the CBO allocation processes detailed in Section 31 of this report, existing staff of DHS will monitor and administer these funds. All funding transferred to DHS for this program will be for direct services.

Child Development Services

As previously reported to the Board, the Department of Human Services (DHS) was awarded the entire School Readiness Coalition (SRC) contract in March 2004 for the remainder of the contract year ending June 30, 2004. The department hired 45 new staff through the use of our temporary employment contract to better facilitate the transition process during that period.

In June 2004, the Miami-Dade School Readiness Coalition Board of Directors awarded the entire FY 2004-05 subsidized childcare contract to Miami-Dade County. The DHS Child Development Services budget now requires an adjustment to reflect additional funding of \$39.9 million for subsidized childcare, as well as an additional \$690,000 for a required general fund grant match. The grant match funds are available from the general fund non-departmental budget for this program. The department will convert 45 temporary positions into full-time positions and add an additional 21 positions to cover the increased responsibilities, for a total of 66 positions. It should be noted that the previous provider utilized 161 full-time positions to handle the same workload. In addition, the budget requires an adjustment of \$421,000 to account for a net decrease in other recurring grants that were re-awarded after the FY 2004-05 Resource Allocation Plan was released. The net decrease affects operating costs only and does not negatively impact child care slots or positions. While the Department's current plans call for the utilization of only the 66 new positions noted, the need to increase staff may become necessary as the number of children served increases.

Jack Orr Ranch

For over 27 years, the DHS has provided residential substance abuse treatment services in the Homestead area at the Jack Orr Ranch Treatment Program for all residents of Miami-Dade County. A mainstay in these services has been the provision of room and board through a contractual agreement with the former property owner. However, the property's current owner, Kehoe Systems, Inc., is no longer interested in continuing the existing contract that expires on September 30, 2004.

We have determined that the most cost-efficient and effective alternative for the continuation of residential substance abuse treatment services beyond September 30, 2004 is the relocation of the service to the County-owned, 82-bed New Direction Residential Treatment Program at 3140 NW 76 Street in north Miami-Dade County, generating \$165,000 in savings. In order to address concerns regarding the availability of residential substance abuse treatment to south Miami-Dade County residents, a percentage of the beds at New Direction will be earmarked for priority placement for South Dade residents.

Commissioner Sorenson has raised concerns regarding the effectiveness of our substance abuse programs. Readmissions to the County operated programs are low. In FY 2002-03, there were 547 Level 2 (the most restrictive level of residential care) admissions to the 77 beds comprising the New Direction and Jack Orr Ranch program, with 23 readmissions, or four percent. In the current fiscal year, there have been 533 Level 2 admissions to the New Direction and the Jack Orr Ranch programs, with 30 readmissions, or six percent.

In April 2003, the Department of Human Services began operating the Helen Sawyer Assisted Living Facility (ALF) when the contractor ceased providing services. Initially, DHS planned to provide services only for a short time; however, both Miami-Dade Housing Agency (MDHA) and the residents of Helen Sawyer have been extremely pleased with DHS services and prefer to continue this arrangement for the foreseeable future. This arrangement will allow MDHA and DHS to explore other options more fully, to work out final staffing and budget figures, and to continue the high level of services provided to the frail elderly in this facility. For FY 2004-05, the DHS budget totals \$1.4 million to be paid by MDHA (46 positions). These figures may require adjustment during the year as final staffing and service arrangements are made.

17. Juvenile Services

As recommended in the FY 2004-05 Resource Allocation Plan, the juvenile assessment and diversion programs located in the Juvenile Assessment Center (JAC) and two of the Department of Human Services juvenile intake and assessment programs will be combined into a single department, the Juvenile Services Department. The affected departments worked with the Employee Relations Department and the OSBM over the summer to determine the proper organizational structure, funding, and a plan of implementation. The implementation plan, developed by the directors of both departments, includes review of the consolidation with all critical stakeholders by mid-September, resolution of all staff issues and training of supervisory personnel by early October, complete cross-training, closing remote sites and consolidating the staff in the current JAC facilities during the first quarter of FY 2004-05 (Attachment B).

Anticipated benefits of the consolidation include expanding diversion operations to 24 hours a day, using integrated technology to aggressively follow-up on arrested juveniles, reducing job classifications, allowing cross training and efficiencies, using data management to measure recidivism and provide timely information to judges, and implementing a pilot program to address special needs of arrested children under twelve. Staff has shared the plan with many juvenile services partners and stakeholders, including the members of the JAC partnership, the Department of Juvenile Justice, the Public Defender's Office, the State Attorney's Office, Judges Lester Langer and Cindy Lederman, the Department of Children and Families and their Children's Mental Health Committee members of the Juvenile Justice Board, and the Youth Crime Task Force, and the plan has received support. Although there have been some reductions in grant funding, they are not related to this consolidation. Specifically, a \$304,000 reduction in grant funding for the Juvenile Treatment Alternative to Street Crime Program was already incorporated in the Juvenile Services Department budget during the budget process. Additionally, the consolidation is projected to produce an estimated savings of \$385,000, though this figure is being refined. The recommended revised Table of Organization is included in Attachment R.

18. Communications

With the purpose of bringing government closer to County residents, visitors, and businesses through appropriate communications channels, the Communications Department serves as the County's primary communications vehicle, providing information to the media and the public on behalf of the Office of the Mayor, the Board of County Commissioners (BCC), the Office of the County Manager, and County departments. The Department operates the County's award-winning government access television station, provides media relations and marketing services,

coordinates public records requests from the media, purchases and places advertising, provides special events coordination, comprehensive graphic design services, translation services, protocol products and services, and coordinates and promotes employee recognition programs.

The Department has the challenge of coordinating the communications approach and corporate identity for all Miami-Dade County departments. The lack of staffing to support this function causes our County's message to your constituents to be fragmented and it becomes increasingly difficult to improve public perception of our government. This is an issue we have been attempting to tackle for years. To assist the Department in accomplishing the tasks of coordinating a countywide marketing plan, improving media relations, and ensuring that we are getting our message out to all of our community, I asked the Communications Director to review the Department's current organization and to submit any structural and funding recommendations required to meet our goals. (Attachment C)

In light of that report, the following organizational changes are recommended.

- Focus on marketing through the development of a Marketing and Public Affairs Division responsible for the development and implementation of a comprehensive marketing plan for the County; this restructuring effort requires a net increase of two new positions, as well as the transfer back to the department of a position currently on loan to the GOB
- A transfer of two existing positions from GSA, currently supporting the Commission Chambers, to better manage and further improve the quality of meeting broadcasts
- Streamline the responsibilities of the Media Resources Section to focus exclusively on media relations
- Shift all non-creative, general support functions under the Assistant Director's Office
- Eliminate or down grade positions to offset additional costs
- Convert several temporary positions into permanent full-time positions in the areas of graphics and translation

The new Marketing and Public Affairs Division will be tasked with implementing a County branding/image program and countywide marketing campaign, including coordinating budget resources with existing Service Excellence program training; providing marketing support to departments (development of marketing plans and strategies) and coordinating department-driven marketing plans with the County's overall marketing plan; staffing the expanded In-Kind Services Program and securing appropriate County representation and participation, consistent with other event sponsors and developing recommendations for Board approval; producing internal (employee) and external newsletters; coordinating advertising placement, including the community periodical program; and media buys (radio/TV), including the AM Radio program; and planning and coordinating special events and other community events. The recommended budget for the Communications Department will increase by \$457,000 (\$160,000 of which is transferred from the General Services Administration).

19. Office of Community Relations

In the FY 2004-05 Proposed Budget, it was recommended that two positions be eliminated from the Office of Community Relations (OCR), the Program Manager (\$108,000) and the Office Support Specialist (\$37,000). The elimination of those positions would have reduced Board staff support to several Boards. Additionally, OCR supports many County events, from elections to hurricanes with their core of Goodwill Ambassadors. It is recommended that these

two positions be reinstated in OCR (\$145,000), restoring OCR's position count to 16, the same as in the current year.

20. International Trade Consortium

As part of the changes to the Resource Allocation Plan provided to the Board at the first budget hearing, I recommended that the International Trade Consortium establish a position to study and develop a plan for the viability of an International Business Incubator focused on attracting additional commerce to our community. This recommendation is based on the model of the San Jose International Business Incubator, suggested by Commissioner Diaz, the Chair of the International Trade Consortium. Founded in 1996, in San Jose, California, the San Jose International Business Incubator has been able to attract additional commerce to downtown San Jose and has generated increased international trade opportunities by providing assistance to non-U.S. businesses wanting to break into the U.S. market. Some of the services provided to the incubator's clientele include pre- and post-arrival programs that provide information on visas, traveling through customs, housing and transportation, assistance in obtaining business licenses and opening bank accounts, and coordination of meetings with immigration and corporate attorneys.

I also recommended that a position be established to provide assistance in coordinating and planning visits of international dignitaries as a part of the overall County International business functions. Similar to Miami-Dade County and its relationship with the Beacon Council, other jurisdictions such as Orange, Osceola, Lake, and Seminole counties work with the Metropolitan Orlando Economic Development Commission (MOEDC) to market and promote their region. While the governmental entities mentioned above refer much of the functions of planning and coordinating visits to the MOEDC, other jurisdictions such as the cities of Phoenix and Atlanta plan and coordinate visits as part of an office function working with other local, national, and international agencies, including diplomatic corps and consular offices. The total recommended increase to the ITC budget is \$271,000.

21. Performing Arts Center Trust

While considering the Performing Arts Center Construction Program and the need for additional capital funding, on July 27, 2004, the Board raised concerns about funding the Center's pre- and post-opening operating costs. Among your concerns was support of the Performing Arts Center Trust (PACT). The PACT provides the staff that will operate the Center. Operational activities include engineering services, marketing and booking functions, and security and maintenance. Meetings between the OSBM and the PACT were held and the pre-opening operational funding needs identified were closely scrutinized. The needs of the Trust for operations were reduced to \$2.89 million for FY 2004-05, of which \$1.04 million will be obtained by the Trust through grants, carryover funding, and PAC Foundation commitments. I recommend that the balance of the Trusts' need (\$1.85 million) be funded from Convention Development Tax (CDT) Funds. Staff from OSBM and my office will continue to work with the PACT to develop a multi-year service and funding plan to support the PACT. In the past several months, the performance of our tourist tax revenues has improved to pre-9/11 levels. Based on our most recent estimate of CDT revenue, those funds are available without jeopardizing existing commitments. Although hotels in the Miami Beach area may have been negatively impacted by the recent hurricanes that threatened our community, it is projected that this effect will be offset by increased occupancy in hotels on the mainland.

22. Public Health Trust

The Public Health Trust (PHT) has reported budgetary and cash flow shortfalls for FY 2004-05. Commissioner Rolle, as an ex-officio member of the PHT, as well as several other Commissioners expressed concern regarding the ability of the PHT to continue providing health care to all segments of the community. I am very concerned about these issues and have personally met with the Chairperson of the PHT, Larry Handfield, and PHT President Marvin O'Quinn. In our discussions, we recognized the need to address not only the short-term needs of the PHT regarding FY 2004-05, but also to develop multi-year alternatives to improve the PHT's long-term financial situation.

To a large extent, the budgetary and cash flow issues at the PHT are the result of an increasing and more costly burden of charity care combined with increased account receivables from paying patients and shifts in the Medicaid Program. When the PHT presented its revenue situation to us, the PHT President indicated that the problem was in the magnitude of \$100 million out of a net budget of approximately \$1.4 billion and that he had recommended to the Trust approximately \$26 million in savings as a result of personnel and other reductions. A request was made for the County to assist in making up the balance of the shortfall. The countywide general fund is approximately three-fourths the value of the PHT budget, and it clearly would not be possible to make an adjustment of the requested size in the countywide general fund without significant service impacts in other programs.

Over the past several weeks, staff from the OSBM and I have met with Mr. O'Quinn and his staff to identify solutions to address the \$76 million budgetary shortfall projected for FY 2004-05 and the reported, short-term cash flow needs. The following recommendations provide the framework to eliminate the problem for FY 2004-05. Meetings among staff will continue over the next several months to address the longer-term issues that have been raised. Those issues include improved billing and cash flow and adjustments to PHT support of programs whose costs had once been a County responsibility.

- In the Proposed Budget, the PHT appropriated \$51 million in capital projects, equipment, and information systems development (including a new billing and financial system). I recommend financing the projects and timing the financing so that the first payment would not be due until FY 2005-06 to free up those funds for operating needs. No changes would be needed in the FY 2004-05 County general fund or PHT budgets. In order to minimize any long-term effect on the PHT budget and financial statement, the County would do the financing. The payments for the financing could be made by adjusting payments to the PHT in future years and will be considered as part of the FY 2005-06 resource allocation process.
- The PHT set aside \$25 million in a restricted reserve to fund its deductible for property damage named storms. Along the lines suggested by Commissioner Seijas at the first budget hearing, I recommend the County assume liability for that deductible as part of the overall deductible we have for County property. By doing so, the \$25 million would be available for other operating purposes. The Board should be aware that the County's Finance Department is working with Risk Management to use financing or other alternatives to fund the County's \$200 million deductible, as well as the additional \$25 million for the PHT. While the deductible amount is large, our insurance program is approved by FEMA and under current rules, 75 percent of the deductible would be covered by FEMA in the event of a

major disaster. The deductible for property damage to County facilities not related to a named storm is \$5 million.

The PHT has identified an additional \$4 million in capital projects that can be financed, thereby freeing up funds for other operational needs. Staff from the County and the PHT will continue the review of the PHT budget to identify other areas of savings that may reduce the level of financing required to balance the FY 2004-05 budget.

The recommendations above to resolve the budgetary issues, along with the operational changes recommended to the PHT by its President, essentially ensure adequate cash flow for FY 2004-05. However, staff from the PHT and the County will monitor the PHT's cash flow requirements. The County may need to accelerate payments to the PHT and defer payments for health insurance and workers compensation in order to adjust for cash flow fluctuations. It is anticipated that all deferred payments will be made by the end of FY 2004-05 or early in FY 2005-06. I remain concerned about the extent and nature of the problems identified by the Trust. I will be sending a team of people from our Audit and Management Services Department and OSBM to assist Mr. O'Quinn in identifying and resolving financial, budgetary, and administrative issues.

Attached is a letter and presentation from the PHT regarding Healthy Kids. At the first budget hearing, several Commissioners raised concerns over the PHT's elevation of support to the Healthy Kids program (see Attachment D). Mayor Penelas, in his September 17, 2004 report, echoed those concerns regarding the possible loss of services to existing enrollees. In light of the concerns raised by the Mayor and Commissioners, it is recommended that the PHT continue its support to Healthy Kids in order to provide time for the phasing-in of alternative service options to Miami-Dade County families who would be affected by the elimination of Healthy Kids funding. The funding for this continued support is available within the PHT budget if the actions recommended above are accepted. The recommendation for continued Healthy Kids support has been discussed with Mr. O'Quinn. Along with the recommendations to balance the PHT budget, the Healthy Kids recommendations will be presented to the Trust's Fiscal Committee and the PHT Board before the second budget hearing.

23. Park and Recreation Department

At the July 21, 2004 Recreation and Cultural Affairs Committee meeting, Commissioner Souto sponsored a resolution directing the implementation of a quality control program at County parks. Included in this document is Attachment D, which addresses the Commissioner's concerns. Given the high cost to implement the enhanced quality control at County parks, should this resolution be approved by the full Board, I would recommend that the project be implemented in phases over several years. To address janitorial maintenance concerns at Tropical Park, I recommend increasing the Park and Recreation Department budget by \$100,000 for FY 2004-05.

Also, at the July 21, 2004 Recreation and Cultural Affairs Committee meeting, Commissioner Souto introduced a resolution directing the replacement of all chain link fencing in Miami-Dade County parks with two-rail wood fencing, except where chain link fencing is necessary for operational or storage reasons. The Park and Recreation Department requested 90 days to complete a thorough inventory of the facilities and develop a cost estimate. We will report back to the Board by the end of October 2004.

At the request of Mayor Penelas, staff was requested to provide input concerning the feasibility of funding various needed improvements at Miami Metrozoo. Attachment D discusses this issue. While there is no County funding identified in the FY 2004-05 Proposed Budget to support those projects, \$13 million for improvements to Metrozoo, has been included in the Building Better Communities Bond Program. A portion of those funds could be set aside for these projects. In the event the program is not approved in November, staff will work with the Park and Recreation Department and the Friends of Metrozoo to identify other sources of funding. To bring more users to our park facilities, the Ronald Reagan Equestrian Center and Metrozoo in particular, I recommend increasing the Parks advertising budget by \$160,000.

At the first budget hearing, Commissioner Ferguson expressed concern over the level of funding for the replacement of park equipment and requested that funding be included for this purpose in the FY 2004-05 Proposed Budget. Commissioner Souto has also identified additional equipment as a priority. The department has a program to maintain the equipment and deal with the high costs of equipment replacement and limited resources. The equipment is maintained by an internal fleet maintenance unit. Since FY 1999-00, the department has received \$5.578 million from the Capital Outlay Reserve for the ongoing replacement of out-dated equipment. For FY 2004-05 the Department will have carryover funding of approximately \$230,000 for equipment replacement. I recommend increasing this funding with an \$100,000.

Miami-Dade County has been particularly hard hit by the West Nile Virus. In order to protect the users of our parks against mosquito borne diseases, I recommend an additional \$12,000 for the Park and Recreation Department to purchase "Mosquito Magnets" for the Charles Deering Estate and Black Point Marina. Traditional spraying is not an option for these environmentally sensitive parks. "Mosquito Magnets" are mosquito-attracting devices that have been used in Everglades National Park to make the parks more enjoyable.

24. Tamiami Park Gymnasium

At the July 20, 2004 Building Better Communities Bond Program meeting, Commissioner Souto requested that a proposed Tamiami Park Basketball Gymnasium be included in the list of park projects for GOB funding. That project was inadvertently omitted from the revised list approved by the Board. The total estimated project cost is \$6.542 million. In order to move this important project forward, \$50,000 of Capital Outlay Reserve funds will be made available subject to favorable passage of this bond program to begin the pre-design and consultant selection process.

25. Commission on Ethics and Public Trust and the Office of the Inspector General

The FY 2004-05 Proposed Budget is the first time the budgets for the Office of Inspector General (OIG) and the Commission on Ethics and Public Trust (COE) are presented separately. In the Proposed Budget, the Office of Inspector General's budget includes \$1.655 million in general fund and \$696,000 for ¼ of 1 percent contract fees. The COE budget includes a proposed general fund allocation of \$1.056 million and a transfer of \$508,000 from OIG for ¼ of 1 percent charges to contract fees.

In accordance with the County Code, the OIG may use the ¼ of 1 percent on audits of all eligible contracts. In order to reflect all of this revenue as solely supporting the budget of the OIG, it is recommended that the \$508,000 allocated to the COE from the ¼ of 1 percent should be reallocated to the OIG. Concurrently, an equal amount (\$508,000) is recommended to be

taken from the OIG's general fund allocation and transferred to the COE's budget. As a result of these actions, there is no change to either agency's total budget.

The COE has the responsibility to audit, interpret, and enforce the Election Financing Trust Fund established for the public financing of mayoral and county commission campaigns. Five mayoral candidates and seven county commission candidates have qualified to receive funding. The COE has advised us that in order to audit these accounts in a timely manner, additional resources may be required. The COE has estimated that the cost could be approximately \$120,000. In light of the recent elections and the number of mayoral and county commission candidates receiving public funding from the Election Financing Trust Fund, COE and OSBM staff will work together to determine other possible funding mechanisms to alleviate the burden of cost on the general fund to perform these required audits.

26. Miami-Dade Police Department

DNA Lab Expansion

DNA analysis of evidence collected at the crime scene has become one of the most important investigative and prosecutory tools available to law enforcement today. Over the past few years, the demand for DNA testing has tripled as investigators realize its importance in the identification of perpetrators of previously unsolved crimes and the ability to identify serial offenders, such as in the Shenandoah and Bus Bench rapists. DNA also provides the ability to link cases allowing different police jurisdictions to work together to identify and capture perpetrators. It is important to note that the Miami-Dade Police Department (MDPD) Crime Lab provides this service to every police agency in Miami-Dade County, as well as to the Courts.

In order for the MDPD Crime lab to meet the increasing demands for FY 2004-05 the current program requires additional staffing, equipment and facilities totaling \$1.092 million. The Department is aggressively pursuing grant funding and has obtained the FY 2004 National Institute of Justice DNA Capacity Grant to include partial funding of the equipment and lab renovations (\$481,000). Consistent with Commissioner Martinez's request at the first budget hearing, it is recommended that the budget for the DNA Crime lab be increased to fund an additional five Criminologist 1 positions (\$111,000), and the remaining equipment and renovations (\$500,000).

In order to fund these needs, the Homeland Security Command Post Trailer, recommended to be funded through the COR (\$500,000), will be funded with Miami Urban Area Security Initiative (UASI) grant funding, which allows for the purchase of additional security equipment. The COR will then be reallocated to fund DNA crime lab equipment and renovations. Other funds that were intended for the increased costs which are no longer anticipated of leased facilities, will be reallocated within the proposed MDPD budget to fund the criminologist positions.

Victims Services Center

The Victims Services Center (VSC) has received County funding for several years through the Miami-Dade Police Department, allocations from the Mayor and individual Commissioners. The Proposed Budget includes a \$150,000 allocation for VSC in the MDPD budget. Commissioner Martinez has met with VSC and staff has requested for an additional \$200,000 allocation to maintain their current level of services. Additionally, he has asked that staff study VSC's proposal to develop a multi-year private-public partnership for a more comprehensive and holistic approach to victim services. Staff will put together the different partners, including the Chief Judge and the State Attorney to analyze the options and formulate recommendations to present to the Board through the Public Safety Committee.

Other Adjustments

In order to address the need for increased enhanced enforcement activities identified in the Doral Police District, I am recommending an additional \$300,000. I am also recommending \$36,000 to purchase speed trailers for the Cutler Ridge, Kendall, and Hammocks Police Districts.

27. Corrections and Rehabilitation Training Class

As the Chairperson of the Public Safety Committee, Commissioner Martinez has expressed concerns regarding the ability for correctional officers to receive needed training. To address this, an additional \$250,000 will be allocated to the Corrections and Rehabilitation Department to conduct a Correctional Officer Training class for 25 positions in February 2005. It is recommended that these additional officer positions be utilized to create a relief pool that will reduce unanticipated overtime in jail operations. It is estimated that the relief pool will generate approximately \$1 million savings in FY 2005-06. These savings may be used to re-instate external Mandatory In-Service Training (MIST) programs for Correctional Officers, instead of the internal MIST program now in place. The OSBM and the Corrections Department will also study the opportunity for additional savings by exploring alternative staffing methodologies, including the use of twelve-hour shifts and flexible relief pools.

28. Property Appraisal

To address seasonal customer service demands, I recommend the addition of two counter clerk positions for the Property Appraiser (\$90,000). One position will be utilized at the South Dade Government Center and the other at the downtown office.

29. Elections

As a result of security requirements, additional early voting sites and increased hours at these sites, election night pick-up of equipment, and added promotional expenses to assure voter confidence, it is recommended that the Elections Department's FY 2004-05 Proposed Budget be increased by \$600,000 for costs associated with the November 2 general election. Additionally, a year-end amendment will be required for FY 2003-04 to reflect an increase in expenses required for the August 31, 2004 countywide election.

30. Capital Budget Updates

Several capital projects in the FY 2004-05 Proposed Budget require updating and correcting since publication in July. In order for projects to be eligible for Board approval through the process, under the County's Expedite Ordinance, they must be included in the annual capital budget. To accommodate this requirement, it is recommended that the following changes be made to the FY 2004-05 Proposed Multi-Year Capital Plan.

The Department of Solid Waste Management (DSWM) FY 2004-05 Multi-Year Capital Plan is recommended to be adjusted to include the City of North Miami Landfill Closure Grant (\$31.027 million), to be funded with Series 2005 Utility Service Fee (USF) Revenue Bonds. The DSWM is requesting an appropriation for two additional landfill closure projects, specifically the City of Homestead Landfill Closure Grant (\$7.5 million) and a City of Miami Landfill Closure Study Grant (\$650,000). The DSWM is also recommending that future year costs for the North Dade Landfill Gas Extraction System (Phase II) be increased by \$186,000 to account for inflation, with this additional cost funded by future USF revenue bonds.

The following projects were inadvertently not included in the Public Works Capital Plan: Beautification Improvements (\$3.325 million) from the Secondary Gas Tax, Road Resurfacing on Local Roads (\$2.05 million) from the Capital Improvement Local Option Gas Tax, NE 2 Avenue Reconstruction (\$300,000) from Road Impact Fees, SW 147 Ave Widening (\$626,000) from Road Impact Fees, South Miami Ave Improvements (\$840,000) from People's Transportation Plan bond proceeds, and the Street Lighting Retrofit Program (\$3.5 million) from People's Transportation Plan bond proceeds. These projects were included in the department's internal lists but were not printed in the FY 2004-05 Proposed Multi-Year Capital Plan.

The Miami-Dade Aviation Department has updated the estimated MIA Mover project Capital Budget due to a clarification of anticipated Florida Department of Transportation grant funding and anticipated cost savings due to more recent data on unit costs for people mover technologies being implemented nationwide. The cost is now estimated at \$285 million, including \$265 million for construction and \$20 million for financing costs, which is \$24 million less than had been printed in the FY 2004-05 Proposed Multi-Year Capital Plan.

The Board of County Commissioners has already approved a \$67.7 million increase for the construction of the Performing Arts Center. The Telecommunications Facility Repair or Replacement Project to address the Richmond Tower (\$5 million) and the Corrections and Rehabilitation Facilities Fire Protection System Improvements Project (\$9.2 million) were inadvertently omitted from the Enterprise Technology Services Department FY 2004-05 Proposed Capital Plan. The total cost of the South Dade Government Center Americans with Disabilities Act (ADA) Improvements project was understated (\$3.282 million) from the Capital Outlay Reserve to be funded from reduced debt service costs and additional carryover. This ADA project will begin in FY 2004-05 and continue into FY 2005-06. While the total cost of the South Dade Cultural Arts Center will remain the same, as presented in the Proposed Budget (\$34.014 million), the presentation of various expenditure categories has changed. The scope of the project has not changed, only the presentation.

A need for traffic calming devices in the unincorporated area of Little Gables, Schenley Park, and adjacent to the City of West Miami has been identified. I recommend \$105,000 be allocated to the Capital Outlay Reserve for three traffic circles in these areas. Chairperson Carey-Shuler expressed concerns about indoor air quality and other capital needs for the Caleb Center. I am also recommending \$500,000 be allocated to the Capital Outlay Reserve for

renovations to the Caleb Center. Should the Building Better Communities Bond Program pass in November, this funding will be freed up for other capital projects.

31. Pay Plan

It is recommended that the Board approve the FY 2004-05 Pay Plan. Language approving the FY 2004-05 Pay Plan is incorporated in the Self-Supporting Budget Ordinance. The Pay Plan contains changes and adjustments that update and clarify Pay Plan language and provisions. It also includes the addition of new classifications, the abolishment of obsolete classifications, and occupational code and title changes. The pay rates reflected in the Pay Plan will be administered in accordance with the provisions of the Living Wage Ordinance 99-44. The Pay Plan incorporates provisions of the collective bargaining agreements and other actions that have been previously approved by the Board.

As the Board is aware, a flat \$50 biweekly payment began as of July 2004 to all bargaining unit employees. The FY 2004-05 Pay Plan includes the first phase (\$25 biweekly) of extending that payment to non-bargaining unit employees excluding those in executive benefits groups 1, 2, and 3, as recommended in the FY 2004-05 Proposed Budget.

32. Fee Adjustments

The Self-Supporting Budget Ordinance (Agenda Item F) includes the proposed fee changes that were recommended in the FY 2004-05 Proposed Budget. These proposed fee adjustments, pursuant to Resolution R-1018-94, were discussed with the public at Community Council meetings held throughout the County in August.

Consistent with past practice, the Miami-Dade Aviation Department (MDAD) landing fee is calculated semi-annually. MDAD has proposed the landing fee be increased effective October 1, 2004, to \$2.10 from \$2.03 per 1,000 pounds of landed weight. The Miami Airport Affairs Committee (MAAC), which includes the majority-in-interest carriers at Miami International Airport, has reviewed the department's budget and the proposed landing fees. Additional recommended fee adjustments include an increase in concourse, gate and ticket counter fees. The changes to the fee schedules are attached to Agenda Item F. Subsequent to the first budget hearing, common use terminal equipment fees have been adjusted to reflect revised cost allocation procedures. The recommended adjustments reflect a decrease of \$828,000 in Aviation revenues, an increase of \$828,000 in transfers from the Aviation Improvement Fund, and a decrease in ending cash balance. The changes to the fee schedules are attached (Attachment E) and will be incorporated into the final Agenda Item F ordinance if approved.

Consistent with contractual fee increases incorporated in the 20-year interlocal agreements with municipalities and programmed in the Department of Solid Waste Management's (DSWM) multi-year financial plan as presented to the rating agencies, the solid waste disposal tipping fee for contracted municipalities, private haulers, and government agencies is recommended to increase to \$52.25 from \$50.65, and the disposal-tipping fee for non-contracted municipalities, private haulers, and government agencies is recommended to increase to \$68.90 from \$66.80. Additionally, the transfer fee for all customers is recommended to increase to \$10.35 from \$10.05. Other solid waste requiring special handling per load (added to the disposal fee) is recommended to increase to \$52.25 from \$50.65. These recommended adjustments are in accordance with the July 2004 Consumer Price Index, South. These fee changes are outlined in Administrative Order 4-68 in Agenda Item F. Other changes to the schedule include

increasing fees, on a per load basis, for clean yard trash disposal by permitted landscapers at Trash and Recycling Centers for trailers of six cubic yards or less, to \$18.93 from \$18.36, and for trailers with a capacity of greater than six cubic yards, to \$63.14 from \$61.26. The fee for clean yard trash disposal by permitted landscapers at disposal facilities is recommended to increase to \$6.31 from \$6.12 per yard. The residential solid waste collection fee and all other waste collection fees are recommended to remain at FY 2003-04 levels.

A reduction in the previously programmed annual grant funding with the City of North Miami (\$305,500) and the elimination of one administrative position (\$64,000), along with the recommended increases in revenue, will be used to fund increased disposal costs in collections (\$714,100), payments to the curbside recycling contractor (\$158,700), and Resources Recovery contract expenditures (\$678,300).

Water and sewer retail rates are recommended to remain the same at this time. However, an increase in retail rates may be necessary in the future. The Department will present a comprehensive fiscal forecast after closeout of FY 2003-04 and examination of the first quarter financial position. Miscellaneous fee adjustments are recommended for WASD at this time, including adjusted fees for floating meter damage and cleaning, refundable meter guarantee deposits, pipeline installation, and contractual weed control. Additionally, WASD is requesting the establishment of an overhead rate of 10.6 percent for work performed resulting from requests, billable damages, and contractual agreements. The Department is also requesting adjustments for various building usage rating requirements. These fee changes are included in proposed revisions to Administrative Order 4-110 and is attached to Agenda Item F.

Fee adjustments for the Building Department, the Park and Recreation Department, Vizcaya Museum and Gardens, and the Seaport included in the respective administrative orders in Agenda Item F are the same as those detailed in the FY 2004-05 Proposed Budget.

33. Community-based Organizations and In-Kind Services

The FY 2004-05 Proposed Budget includes funding for the Mom and Pop Grants program (\$1.3 million) and the Commission Discretionary Reserve Funds (\$3.9 million). The countywide and district-specific in-kind reserve is also included in the Proposed Budget (\$500,000) and funding for the following in-kind allocations is included as departmental line items in the FY 2004-05 budget: Martin Luther King, Jr. Parade and Festivities in Homestead, West Perrine, and Liberty City (\$170,000), Miami Beach Memorial Day Event (\$305,000), Exponica International (\$57,000), and Miami Tropical Marathon (\$16,750). Small CBO set-aside grants, allocated through the Alliance for Human Services (AHS), are awarded on a three-year cycle. The current cycle began July 1, 2004, and continues through June 30, 2007. Funding for existing small CBO set-aside grants is included in the Proposed Budget (\$751,790). Grants awarded under the AHS District Responsive Grants process have a one-year term (July 1, 2004 – June 30, 2005) (\$1.3 million). I am recommending an increase in funding for cultural grants of \$250,000 in addition to the \$750,000 of increased funding already included in the Proposed Budget, bringing the total new funding to \$1 million.

Funding recommendations for the discretionary General Fund CBO allocations are included in Attachment F. Commissioner Barreiro inquired as to continued support of Viernes Culturales, which is included in this pool (\$75,000). Commissioner Moss wanted to ensure funding for AFRICANDO, also included in this list for \$100,000.

The Proposed Budget includes funding to continue the Mom and Pop Business Grant Program (\$1.3 million). The administrative responsibility for implementing this program is being transferred from the Task Force on Urban Economic Revitalization (UERTF) to the Office of Community and Economic Development (OCED) in FY 2004-05. OCED has sufficient administrative and program support capacity and the fiscal infrastructure to implement this assistance program effectively and efficiently. Some Commissioners have requested recommendations for an alternative process. While the current process in rewarding business grants to recipients remains in place, an alternative process for the program is being developed and will be brought to the Economic Development and Human Services Committee for consideration. At the first budget hearing, a request was made to double the Mom and Pop Program funding to \$200,000 per district. Commissioners may choose to increase the funding to the Mom and Pop Business Grant Program within their individual districts by allocating funds from their District Reserve Fund to this program. At the request of the Board, a process for providing recommendations regarding the approval of requested in-kind services is also included in Attachment G. Along with requiring more comprehensive information from the requesting organization and providing more details for the Board to use in its consideration of requests, staff will now be making a recommendation regarding approval of in-kind services, based on organization and event funding needs.

At its September 15, 2004 meeting, the Public Safety Committee approved a motion directing that unexpended funds from the FY 2003-04 In-Kind services reserve be carried over to FY 2004-05. By approving these ordinances and this accompanying memorandum, these funds will be carried forward.

OSBM staff has reviewed the overall CBO allocation process for the distribution of Commission District Discretionary Reserve and Office Funds. Attachment G details our recommendation to improve the process of allocating and disbursing funds.

It is recommended also that this process be formalized in the Budget Ordinance so that, notwithstanding any other provision of the County Code, resolution or administrative order to the contrary, non-profit entities allocated County monies will not be required to complete affidavits of compliance with the various policies or requirements applicable to entities contracting or transacting business with the County. The recommended changes will not only improve current processing time for these allocations but also ensure prompt payment to the recipient organization(s).

Attachments H and I are the reports on Airport and Seaport Promotional Funds required by Administrative Order 7-32. A summary of all CBO allocations is presented as Attachment J.

In considering your funding recommendations, it is important to note that consistent with Ordinance 97-88 relating to discretionary reserve fund expenditures, a County Commissioner leaving office as of November shall be prohibited from proposing or making an expenditure in excess of ten percent of his or her discretionary reserve funds for the fiscal year commencing in the month he or she is scheduled to leave office. As a constitutional officer, per Florida Statutes, a County Commissioner leaving office is also restricted to spending 1/12 of the annual office budget for each month he or she remains in office, unless otherwise approved by the Board.

34. Superbowl

Staff has been working with the Greater Miami Convention and Visitors Bureau regarding funding for Super Bowl XLI in 2007. While the County's commitment is estimated to be approximately \$1.2 million, the amount required for FY 2004-05 is estimated to be \$100,000.

35. Millage Adjustments

At the first budget hearing, Commissioner Souto requested an alternate budget incorporating a five percent reduction to the countywide millage. The suggested adjustment reduces the County's millage by 0.299 mills to 5.670, from 5.969 as proposed. Attachment K summarizes potential reductions that could accomplish the required adjustment of \$42 million. This scenario is a subset of the rolled-back scenario presented to you at the July budget workshops. In his September 16, 2004 budget memo, Mayor Penelas suggested a 0.025 mills reduction to the countywide general fund. This equates to a \$3.505 million reduction in funding. Attachment L summarizes suggested adjustments and is a subset of the adjustments included in Attachment K.

It is difficult to balance the competing objectives of tax relief for property owners and increased and improved services for residents. If the Board chooses to reduce the millage, I recommend that the funding adjustments which address the Mayor's suggested reduction be incorporated into the budget ordinances.

INFORMATIONAL REPORTS

During the first budget hearing, several issues were raised that are discussed in more detail in the following informational reports.

1. Miami-Dade Police Department

Police Vehicles

The Miami-Dade Police Department has revised the fleet acquisition program for FY 2004-05. The original plan included purchasing 300 patrol vehicles and 150 mid-size sedans for non-patrol and administrative functions. MDPD initially recommended substituting 150 of the patrol cars for mid-size sedans and assigning these vehicles to uniformed personnel not assigned to regular patrol duties. This action would have saved approximately \$1 million annually.

Due to officer safety and liability concerns, MDPD has recommended that the original plan to purchase 300 patrol vehicles be revised and reconsidered. The revised plan would consist of 150 rear wheel drive patrol vehicles and 150 patrol vehicles that could be rear wheel or front wheel drive. Adjusting the bid specifications to allow front wheel drive as an option will introduce competition to the process and will result in the \$500,000 savings contemplated in the FY 2004-05 Proposed Budget. If the front-wheel drive option were selected, MDPD would deploy the front-wheel drive vehicles to the non-patrol officers that would have received non-police pursuit mid-size sedans. Those vehicles would contain all of the other required police pursuit package equipment and would be available for emergency use for which the mid-size vehicles would be unsuitable.

Agricultural Patrol Station

Honorable Barbara Carey-Shuler, Ed.D. and Members

Board of County Commissioners

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MDPD is in the process of permitting the new Agricultural Patrol Mini-Station Modular Unit to be located at 17800 S.W. 198 Terrace. The operational and lease costs are contained within the Intergovernmental Bureau budget, and the site preparation and installation cost are recommended to be provided from the Law Enforcement Trust Fund.

Security in Parks

In a memo dated August 5, 2004, Commissioner Souto suggested creating a Parks Unit within the Miami-Dade Police Department (MDPD). I share his concern about increasing police presence in our community and ensuring the safety of our residents in our parks. I have carefully reviewed the memo and consulted with MDPD and the Park and Recreation Department (P&R).

The P&R Security Unit was established in FY 1996-97. The Unit's primary responsibility is to provide evening and night security patrol service to 155 facilities. The Unit operates as a mobile patrol that travels from park to park. Special assignments may also be assigned to work a specific park, special events, or patrol a specific area more often to address identified security needs. The Unit operates two 10-hour shifts seven days per week. The first shift is from 2:00 p.m. to 12 midnight and the second shift is from 4:00 p.m. until 2:00 a.m. The Unit has 18 full-time employees consisting of one Security Chief, four Security Supervisors, 12 Officers, and one Secretary. The FY 2004-05 Proposed Budget contains \$1.126 million for the Park Security Unit.

MDPD provides enhanced police services to Tropical Park utilizing various crime prevention and law enforcement techniques. These enhanced efforts include:

Marked Vehicle Patrols: Police officers assigned to the Kendall District, on an hourly basis, patrol the park during the hours the park is open. This hourly detail usually lasts 30 minutes.

Bicycle Patrols: Bicycle units patrol the park routinely. These visible patrols act as a major deterrent in preventing most types of criminal activities.

Undercover Details: The Kendall District General Investigations Unit conducts covert operations and arrests perpetrators. Since 2000, the Kendall District Crime Suppression Team has conducted monthly operations. During FY 2003-04 they have arrested 33 individuals suspected of criminal activity.

Mounted Patrols: The Mounted Patrol Unit also provides a visible police presence at the park. Two officers are assigned Thursday through Sunday to patrol the park between 10:00 a.m. and 4:00 p.m. The objective of the detail is to patrol hot spots throughout the park, maintain a high visibility, and monitor suspicious incidents and persons. The mounted patrol officers complete field interrogation cards, traffic citations and incident reports.

The memo indicated a preference for moving the funds from the Park Department to MDPD and replacing the Park Security Unit with uniformed police officers. This transfer would complement the existing funds provided for park security within the MDPD budget.

The initial annual cost for MDPD uniformed officers to provide the same number of patrol hours as currently provided by the Park Security Unit is approximately \$1.7 million. The increased

costs are mainly due to the higher hourly wage earned by MDPD officers, the additional retirement contribution required for high-risk employees, and the incremental costs associated with MDPD patrol vehicles when compared to the current civilian park fleet. The \$1.7 million does not include the \$200,000 Enhanced Enforcement Initiative for Tropical Park that is currently in the MDPD budget. These calculations are based on a general comparative staffing level that is currently used by the Park Security Unit and is not the staffing level that MDPD would recommend.

MDPD has consistently provided support and assistance in the parks throughout Miami-Dade County. Each district within Police Services is responsible for monitoring criminal activity in their respective areas. As part of this responsibility, each police district addresses crime trends, community concerns, and quality of life issues. MDPD is committed to the safety and welfare of all county residents and will continue to provide necessary assistance as the need arises.

After reviewing the alternatives, I recommend that the Park Security Unit remain in the Park and Recreation Department and continue to be staffed by civilian employees. I am directing MDPD and the Park and Recreation Department to review the current hiring and training procedures to improve the process for staffing and operating the Park Security Unit. In addition, MDPD and the Park and Recreation Department will develop a protocol for information sharing to keep both agencies aware of ongoing enforcement and security concerns. Improved communication between both departments should further enhance the deterrent component of these crime prevention efforts in our parks. Finally, I am directing MDPD and the Park and Recreation Department to develop jointly a park incident reporting system to track ongoing criminal activity in our parks that will indicate the level of criminal activity in our parks. The incident reporting system can be integrated into the MDPD COMPSTAT process, which reviews crime trends and calls for service on a daily, weekly, and monthly basis. This tool equips district commanders to more effectively deploy service assets to respond to crime trends and community concerns.

2. Funding Requests by Municipalities

At the first budget hearing, Commissioner Ferguson inquired as to County Policy regarding requests from municipalities, related to a presentation by El Portal Mayor Andrey Edmonson. The County has few policies regarding the allocation of funds for municipal programs. Policy does exist limiting the allocation of Community Development Block Grant (CDBG) funding for projects in cities with their own entitlements to projects of regional significance.

Overall, municipal requests are handled on a case-by-case basis. In general, the County does not fund municipal programs unless there is some regional benefit. However, there is no state or local statutes or policy that would prohibit the allocation of funds for strictly local programs.

To the extent that the El Portal request was for local programs (such as for new trash receptacles, local signage, local road maintenance, or the maintenance of trees on local rights-of-way), County funding would not be allocated. However, the replacement of damaged stop signs would be allocated. If the Village of El Portal wanted special signage, it would be responsible to fund any difference in cost. El Portal receives approximately \$133,000 annually from the local option gas taxes and the municipal share of the transportation sales surtax. Those funds are available for eligible transportation projects in the Village.

Our staff will work with staff from the Village to provide technical assistance to facilitate the reimbursement of hurricane clean-up costs from FEMA or the state. Requests for CDBG funds, renovation of the Miami Avenue Bridge, or for HIV/AIDS programs would be handled through standard procedures such as the CDBG funding process, the Transportation Improvement Program, or the Ryan White funding process.

3. Quality Neighborhood Improvement Program (QNIP) Status Update

In my individual meetings with each of you, several Commissioners requested an update on the QNIP Program. Attachment M illustrates how much has been accomplished within each district in each of the categories of spending (sidewalks, resurfacing, drainage, and parks projects). This attachment also shows how much is unspent within each district. I recommend that the categories of spending be merged in Phases I and II as they already are in Phases III and IV to provide County Commissioners and staff more flexibility to meet the needs of each individual Commission District. I also recommend that the sale of the Phase IV bond will be delayed until the funds are required. This delay will be transparent to Commissioners and the public; staff expects this sale to occur within FY 2004-05.

4. UMSA Emergency Contingency Reserve

Commissioner Souto proposed a QNIP reserve that could be converted to an emergency contingency reserve for the unincorporated municipal service area (UMSA) general fund budget similar to the one started in FY 2003-04 in the countywide general fund if the Building Better Communities Bond Program is not approved by the voters in November. As shown in Attachment M (same attachment as referenced above), every Commission District has unallocated funds from the first four phases of QNIP. As well, every Commission District has unallocated funds for neighborhood improvements in the People's Transportation Plan. Therefore, I am not recommending another phase of QNIP, nor a QNIP reserve at this time.

I support the idea of an emergency contingency reserve for the UMSA general fund, though I recognize that there is not funding available in the FY 2004-05 budget, as proposed. The reserve in the countywide general fund was achieved by increasing the countywide millage. The Board may consider this policy issue for the FY 2005-06 Resource Allocation Plan as part of an overall enhancement to UMSA funding.

5. Guardrails

Included in the Public Works Department (PWD) two-year plan is funding of \$1 million for a countywide guardrail installation and maintenance contract. The contract is expected for award in FY 2004-05. Staff from PWD will continue to meet with all Board members to identify all FY 2004-05 Commission District priority needs, including any with respect to guardrail installation along waterways. Furthermore, the FY 2004-05 Proposed Budget recommends the provision of an additional \$255,000 from the countywide general fund towards the installation and maintenance of guardrails, which would help replace out-dated equipment utilized by the existing crew.

6. Stormwater Drain Cleanings

As requested in the Mayor's Budget Response memorandum, staff from the PWD has reviewed the request for a portion of the enhanced funding recommended for increased drain cleaning cycles to be used for a proactive system that prevents debris from entering stormwater drains.

Recently, staff has reviewed the possibility of installing a filter system to prevent stormwater drains from clogging. Attachment N is a memorandum to Commissioner Martinez detailing a test performed by PWD staff using a trash trap for a period of 34 days at a location that usually receives an average accumulation of silt and debris. In the test performed, one drain was fitted with the trash trap, while another at the same location was left in its original configuration. Findings indicate that the trash trap did not allow for the flow of storm water to enter the drains, causing more flooding and dangerous driving conditions than at the drain where the trash trap was not used.

As a result of this test, it is believed that providing funding for more drain cleaning cycles as recommended in the FY 2004-05 Proposed Budget is the best method to keep debris from accumulating in our stormwater drains. The enhanced funding will establish three new drain cleaning crews in Public Works (\$800,000, seven positions) in conjunction with outside contractors monitored by the Department of Environmental Resources Management (\$1.1 million) to reduce the time taken to clean an average drain from once every 15 years to once every eight years. This enhanced service will improve the capacity of our stormwater drainage system, and reduce flooding as a result of fewer drains clogging.

7. Seaport Security

At the first budget hearing, some Board members raised concerns of the Seaport Department's security budget. The department has achieved efficiencies by working with multiple agencies to develop a more cost effective manner of operation without changing the current service level. An overview of the security budget is included in Attachment O.

8. Law Library

In cooperation with the Eleventh Judicial Circuit, staff has concluded a preliminary review of the potential consolidation of the Law Library into the Miami-Dade Public Library System, effective October 1, 2004. It was determined that consolidation is an option to address the impact from Revision 7 to Article V of the State Constitution, ensure continuity of service, and potentially increase the access to legal information for court patrons.

It is proposed that the County begin the process of planning for the transition of the Law Library into an operational unit of the Miami-Dade Public Library System. For FY 2004-05, the Law Library's operations and staff have been included in the Miami-Dade Public Library System's table of organization. The Law Library's current operation will be fully supported by FY 2004-05 projected revenues and will not require any subsidy from the Miami-Dade Public Library System. In order to ensure the continued provision of Law Library services, in accordance with best practices, utilizing the most efficient methods possible, we will be contracting with a consultant, to be funded from available Law Library reserve funds, to conduct a complete operational review of the Law Library and provide recommendations on potential efficiencies from the consolidation into the Miami-Dade Library System in order to maximize services within available revenues. We will provide an updated report when recommendations are finalized.

9. Domestic Violence Center

In a previous memo to the Board it was indicated that staff does not believe there is sufficient revenue from the Food and Beverage Tax to operate a second domestic violence center in the long term. Staff has presented various pro-forma budget scenarios to the Domestic Violence Oversight Board (DVOB) for operating a second shelter. These scenarios include alternatives such as debt financing for new construction instead of pay-as-you-go and variations to the facility size and commencement date for operating. The pro forma budgets for the alternatives are included in Attachment P. The alternatives developed will provide operational funds for a second shelter for anywhere from 1 1/2 years to 8 1/2 years, depending on which development scenario is selected. The DVOB is continuing to study the operational issues related to the need and size of an additional shelter. However, the DVOB may acquire land in advance to minimize delays when the project is ready to move forward.

10. Capital Improvements Construction Coordination

Some Commissioners have raised concerns regarding the mission of the Office of Capital Improvements Construction Coordination (CICC). The Office is funded through the Capital Working Fund via charges to capital projects based on project size and volume of related work. While I am confident of the job that the Director and his staff are doing, an internal review of the coordination of capital projects is warranted. I share the Board's concerns regarding delays in our capital development processes. The sequencing of the various departments that work on the County's roads - Public Works, Water and Sewer, DERM, and OCED - to ensure that resources are not duplicated or wasted is especially important. Pete Hernandez will lead this internal review. We will report back to the Board with his findings.

11. Teen Court

In my Budget Message, I discussed the limitation resulting from the Article V revisions regarding revenues generated for functions of court innovations and technology, Law Library, Legal Aid, Teen Court, and juvenile diversion programs. We did an assessment of the Teen Court program to maximize the use of those revenues. Based on that review, the Teen Court Program will use carryover funding to maintain its current level of service through FY 2004-05, and future funding considerations will be made upon the evaluation of the program's performance and available funding.

12. Group Insurance

As part of this year's renewal process with our health plans, the four Health Maintenance Organizations (HMOs) were requested to provide both fully insured and self-insured quotes for consideration. The Executive Insurance Committee, comprised of senior staff, met with our consultant, Deloitte, to review renewal results. Given the timing of the upcoming open enrollment period and the difficulty negotiating acceptable administrative fees from our largest HMO, the Committee voted to accept the fully insured rates submitted for the 2005 plan year. The County will continue to offer four fully insured HMO plans, along with the self-insured Point of Service plan. Premium increases for the medical plans range from no increase to 26.8 percent. Dental plan increases range from no increase to 8.1 percent. The anticipated County contributions for calendar year 2005 are approximately \$161 million for medical insurance and \$6.6 million for dental insurance. The budgeted County contribution per employee will increase from \$5,550 in FY 2003-04 to \$6,350 in FY 2004-05 to fund the additional costs. I intend to

recommend bidding out HMO services on a self-insured basis for the 2006 plan year to realize expected health insurance program cost savings while preserving employee benefit levels.

13. County Attorney

Staff from the OSBM has worked with the County Attorney's Office (CAO) regarding additional fees and charges from the State of Florida due to the implementation of Revision 7 to Article V. Staff has agreed that the impact on the CAO operating budget cannot be calculated with enough accuracy as yet to warrant change. Therefore, the CAO and OSBM will monitor these charges and, if necessary, report to the Board midway through FY 2004-05 on the impact.

14. Child Care Purchasing Pool

The Child Care Executive Partnership (CCEP) is a public/private partnership program that helps employers meet the needs of a growing segment of their workforce, working parents. Funding for the CCEP program is provided annually through federal and state sources. These dollars are matched with funding from local governments, businesses, and charitable foundations, on a dollar-for-dollar basis and distributed as child care benefit payments to child care providers on behalf of employees of participating businesses and families on the local child care waiting list who qualify for child care assistance. Since FY 1997-98 to FY 2003-04, the County has contributed \$20 million to the Child Care Purchasing Pool, which leveraged an additional \$17 million from the state. The state reduced its contribution for FY 2004-05, from \$5.5 million to \$4.4 million, which will impact approximately 300 children. The FY 2004-05 Resource Allocation Plan recommends the County's match remain at the current year level of \$5.5 million (\$1.1 million more than the required match). The Child Development Services Division is currently working with the Children's Trust to develop additional resources to replace the reduced state funding.

15. Medical Examiner

The pursuit of state funding for DUI toxicology lab services contract currently funded in the Medical Examiner's budget will be included in the state legislature package for your approval. Staff is currently researching statutory responsibility for this function and funding in other counties.

16. New Additional Positions

At the first budget hearing, a number of Commissioners requested a detailed description of all new positions being added to the departments. Attachment Q describes for you each one of the subject positions, including justifications, budgetary impact, and scrivener's error corrections.

Attachments

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